is made, and such finding shall be published in the FEDERAL REGISTER together with the reasons for the finding.

[30 FR 6942, May 22, 1965, as amended at 43 FR 13828, Mar. 31, 1978]

Subpart B—Grants, Advances and Audits

§ 601.6 Grants for administration of unemployment insurance and employment service.

Grants of funds for administration of State unemployment insurance and public employment service programs are made to States under section 302(a) of the Social Security Act, the Wagner-Peyser Act, and the Appropriation Acts.

(a) Requests for funds. The forms and instructions used by State agencies in requesting funds are available upon request from the Employment and Training Administration, Department of Labor, Washington, DC 20210, and at the regional offices. The forms and instructions call for detailed information for each budgetary period concerning the specific amounts requested for personal services and other current expenses of State agencies, supported by workload and unit-cost estimates. Supplementary budget requests are processed in the same manner as regular requests. The Administration's representatives in the regional offices furnish assistance to the State agencies in preparing requests for funds.

(b) Processing of requests. State agencies send their requests for funds to the RAETA who reviews the requests and forwards them to the ETA National Office with his recommendation as to the amounts necessary for proper and efficient administration of the State unemployment compensation law and employment service program.

The ETA National Office appraises the requests and the recommendations of the regional representatives from a nationwide point of view, examining each State's request in the light of the experience of other States to insure equitable treatment among the States in the allocation of funds made available by Congress for the administration of State unemployment compensation

laws and public employment service programs.

(c) Action by ETA National Office. If the ETA National Office approves the State's budget request, the State agency is notified; and, provided the conditions precedent to grants continue during the budgetary period, certifications for payment, under the approved budget, stating the amounts, are made by the ETA National Office to the Secretary of the Treasury quarterly. Upon denial of a request, in whole or in part, the State agency is notified and the RAETA is instructed to negotiate with the State with a view to removing the basis for denial.

(Approved by the Office of Management and Budget under control number 1205-0132)

[15 FR 5886, Aug. 31, 1950, as amended at 42 FR 4724, Jan. 25, 1977; 49 FR 18295, Apr. 30, 1984]

§ 601.7 [Reserved]

§ 601.8 Agreement with Postmaster General.

The Secretary of Labor and the Postmaster General have been directed by the Congress (title II of the Labor-Federal Security Agency Appropriation Act, 1950) to prescribe a mutually satisfactory procedure whereby official State employment security postal matter will be handled without the prepayment of postage. In lieu of such prepayments, the Secretary periodically certifies to the Secretary of the Treasury for payment to the U.S. Postal Service the amount necessary to cover the cost of State agency mailings. The amount of payment is based on a formula agreed upon by the Secretary of Labor and the U.S. Postal Service.

 $[15~{\rm FR}~5886,~{\rm Aug.}~31,~1950,~{\rm as}~{\rm amended}~{\rm at}~42~{\rm FR}~4724,~{\rm Jan.}~25,~1977]$

§ 601.9 Audits.

The Department of Labor's audit regulations at 41 CFR 29–70.207–2(h) and (i), 41 CFR 29–70.207–3, and 41 CFR 29–70.207–4 shall apply with respect to employment service and unemployment insurance programs.

[46 FR 7766, Jan. 23, 1981]